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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.



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February 22, 2011

TO: Each Supervisor

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **REQUEST TO AMEND AN INFORMATION TECHNOLOGY SUPPORT SERVICES MASTER AGREEMENT (ITSSMA) WORK ORDER TO ASSIST THE DEPARTMENT OF HEALTH SERVICES (DHS) WITH THE ASSESSMENT OF AN ELECTRONIC HEALTH RECORD (EHR) VENDOR PRODUCT**

This is to notify you of my intent to request the Internal Services Department (ISD) to amend ITSSMA Work Order 7A-2262 with Gartner in order to amend the Statement of Work and increase the total maximum dollar amount. This amendment will increase the dollar amount by \$197,600 from \$445,000 to \$642,600. The objective of this amendment is to modify the EHR Strategy approach and provide DHS with advice and support for the planning and initial steps of the procurement process of an EHR vendor product, which will provide an optimal solution for DHS in as simple and expeditious a manner as possible.

In accordance with ITSSMA guidelines, prior Board notice is required for projects that will exceed \$300,000. Your Board was previously notified in October 2010, at the time that this Work Order was originally executed.

BACKGROUND

The implementation of an EHR within DHS is essential to the improvement of patient care delivery, and the American Recovery and Reinvestment Act of 2009 (ARRA) provides incentives for "meaningful use" of an EHR by certain dates. The Act also imposes financial penalties to healthcare providers if meaningful use is not attained by a certain date.

County Strategic Plan Goal 4, Health and Mental Health, seeks to "Improve health and mental health outcomes and maximize efficient use of scarce resources, by promoting evidence-based prevention and service principles that are population-based, client-centered and family-focused." Implementation of an EHR is a critical capability and prerequisite to attaining Goal 4.

The EHR is also a prerequisite for enabling DHS sharing of patient information required to satisfy the Board motion dated April 7, 2009 regarding establishing a Health Information Technology (HIT) Demonstration Project enabling "a cost effective and secure electronic exchange of patient medical records among relevant public and private health providers."

The Work Order to provide strategic planning consulting for the EHR project was awarded to Gartner based on a competitive ITSSMA solicitation in October 2009. This amendment will add tasks to this Work Order in order to provide for a procurement strategy, creation of solicitation documents, vendor evaluation and vendor selection.

SCOPE OF WORK

This amended Scope of Work for the Consultant shall include the following:

- Charter an EHR Strategy Steering Committee and EHR Strategy Working Group. (Completed)
- Develop guiding principles and strategic imperatives for and EHR based on best practices and Consultant's existing knowledge of County. (Completed)
- Based on the outcome of the prior workshops, develop a draft EHR Strategy for the County EHR. (Completed)
- Based on the outcome of the workshops and the draft EHR Strategy, develop the Case for Action for the County EHR. (Completed)
- Document the EHR Strategy and Case for Action and obtain approval from the EHR Strategy Steering Committee. (Completed)
- Validate and recalibrate the previously conducted Vendor Assessment to incorporate the direction provided by the EHR Strategy and Case for Action. (Completed)
- Develop an agreed upon approach to conduct a fully compliant, expedited approach to evaluate and decide on a preferred solution and vendor. (In progress)
- Develop relevant documents to be used for the procurement of the EHR solution. (In progress)
- Identify qualified vendors through evaluation of written responses. (In progress)
- Select the most qualified best fit vendor. (In progress)

JUSTIFICATION

DHS continues to lack the resources, the body of knowledge, and experience levels necessary to evaluate its existing IT Systems, to determine if the "best of breed" standards for an EHR are present. Proceeding with an implementation of an EHR that falls short of those standards would lead to less effective and less efficient operations providing patient care services, yielding far less desirable outcomes than could otherwise be achieved.

This is a temporary resource that will not need to be sustained once an EHR procurement and implementation strategy has been determined.

FISCAL IMPACT

Pricing will be based on a fixed price per deliverable resulting from the tasks identified within the scope of work. This amendment will add \$197,600 and increase the existing cost from \$445,000 to a maximum dollar amount of \$642,000. The funds are currently in the Fiscal Year 2010-2011 DHS HSA-IT Final Budget.

CLOSING

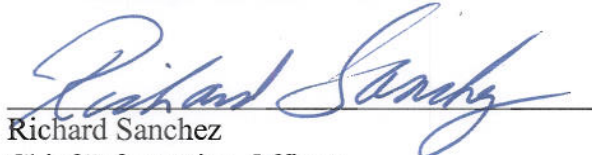
Consistent with ITSSMA policies and procedures, we are informing your Board of our intention to proceed with this Work Order. On March 17, 2011, we will instruct ISD to proceed with the execution of this Work Order.

If you have any questions or require additional information, please let me know.

MHK:gc

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Chief Information Office
Internal Services Department

NOTED AND APPROVED:


Richard Sanchez
Chief Information Officer

3-3-11
Date